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CRITICISMS OF SOMBART

Randbemerkungen zu Werner Sombart. Von M. STECKEL-MACHER. Berlin: G. SIMION, 1912. pp. 63.

Judentum und Anfänge der modernen 'Kolonisation'. Von HERMANN WÄTJEN, Berlin und Stuttgart: W. KOHLHAMMER, 1914. pp. 72.

AFTER all, truth is great and will prevail. A few years ago Professor Werner Sombart startled the housetops by an ingenious series of paradoxes intended to prove that the Jews were the founders of modern capitalism, on which latter subject the Professor had written two bulky tomes. He was not content with heaping up minute references to Jews as business men in all quarters of the globe during the last couple of hundred years. But, having by this means established, to his own satisfaction, the fact that Jews were the founders of the modern system of business founded on credit and aiming solely at profits by any means, he also, with true German thoroughness, tried to prove that the nature of the Jew had been, from all times, such that he was predestined, by his race and by his religion, to create modern capitalism. The paradoxicality of both these theses attracted great attention and, in particular, Jews did not know whether to be more proud of the claims to originating modern capitalism or more incensed at the motives to which Sombart attributed this power of initiative.

But in putting forward these ingenious views, with a wealth of citation, which, at first sight, might seem conclusive, Professor Sombart ran his head against a tendency of modern life, which is equally characteristic of it as capitalism itself. You cannot make any assertions about the past without rendering yourself liable

¹ These reviews, designed for the QUARTERLY, were found among the papers of the late Dr. Jacobs.—[EDITOR.]

to criticism by specialists who, to say the least, are likely to know as much about it as yourself. This nemesis, so desirable in the interests of truth, has overtaken Professor Sombart in several reviews which have pointed out how seriously lacking in perspective are his economic facts or history, and how erroneous are the interpretations he puts upon the passages from post-biblical Jewish literature on which he relies to prove his main contention that the Jews are, and have always been, hucksters at heart, even in their relations to the unseen world. Two books, or rather pamphlets, have appeared which press home these criticisms upon the two main lines of Sombart's ingenious but unconvincing theories.

We may take the more concrete topic first, on which indeed Professor Sombart might have been expected to be least liable to adverse criticism. A professor of economics ought to know his economic history, and there is no doubt that in detail Professor Sombart has control of the very large literature on this subject that has grown up within the last thirty years. But this makes it all the more inexcusable for him to have exaggerated the rôle of Jews in transforming the older economic system of barter and customary prices to the later one of credit and competition. One of the forces leading to this change was the growth of colonial trade, which required both capital and credit, and from the nature of the case was likely to be influenced mainly by competition rather than by custom. Sombart contends that the Jews had not alone a distinctive but a decisive rôle in the development of colonial commerce. Yet Mr. Waetjen proves, by inexpugnable facts, that Sombart's statements in this regard are exaggerated to the *n*th degree. As one example, he takes Sombart's statement that the Dutch East-India Company, without the money of the Jews, could not have played such an important rôle, and that Dutch commerce of the seventeenth century was in fact founded by the Marranos. To this Waetjen gives two replies. In the first place Dutch commerce in that period was based not upon the trade to the Far East but upon the nearer Baltic trade and the herring fisheries, and

secondly, when the Dutch East-India Company was founded in 1602, out of six and a half million of florins subscribed to the Company, one could only trace 4,800 florins to a Jew and a Jewess. Next year saw another 1,200 florins added, and in 1604 five new Jewish names are attached to subscriptions, amounting to about 22,000 florins. But counting all these Jewish subscriptions together, they do not amount to more than 28,000 florins, or not quite one-twentieth of 1 per cent. of the whole subscription list. So, too, with regard to the Dutch West-India Company, established in 1621; the total capital was 7 millions, out of which eighteen Amsterdam Jews held 26,000 florins, about the same minute fraction as in the case of the Eastern company. In neither company was there ever a Jewish 'Bewindhebber', or director, even though at the commencement of the eighteenth century the Jews held one quarter of the stock of the O. I. C., (Oost-Indië-Compagnie), which then began its decline owing to the superior energies of 'Jack Company' (the East India Company). Here again Jews had no share or influence in the East-India Company from which, as aliens or quasi aliens, they were originally kept aloof (Cunningham, *Growth of English Trade and Industry in Modern Times*, i. 327).

It is scarcely necessary to insist upon the exaggerated character of Sombart's claims with regard to the part taken by Jews in the West-India trade. It is true that their share in the sugar trade was considerable, and at Surinam they did hold a predominant position. But rum and timber easily outweighed sugar in European markets, and Surinam was not the only, nor the largest, pebble on the colonial beach.

In all these cases Sombart is only endorsing, and perhaps emphasizing, claims already made by Jewish investigators; e.g. Graetz, with regard to the Dutch East-India Company (ix. 518), Lucien Wolf with regard to the English East-India Company; and Mr. Kohler and Mr. Hühner with regard to the West India.

So, too, in laying emphasis upon the activities of the Marranos in transferring the hegemony of trade from Spain to Holland and England, Sombart is only reiterating what I myself said in the

article 'Commerce' in the *Jewish Encyclopedia*, which he is good enough to quote. But Professor Sombart is evidently acquainted with the whole literature of modern economic history, and ought, therefore, to see the Jewish part, which was naturally considerable, since they were mainly commercial men, in due but not exaggerated proportion. Mr. Waetjen's pamphlet proves that he has been unscientifically eager to press unimportant points.

Where a professor of economics is so lax and unscientific with regard to his economic history, one could scarcely expect him to be more trustworthy with regard to theologic and psychologic facts and theories. It is not, therefore, surprising to find that Dr. Steckelmacher is easily able to convict Sombart of many elementary blunders in making his assertions about the capitalistic tendencies of the Jewish religion. Those who know merely the elements of Jewish learning are aware how dangerous it is to make any wide statements about the Jewish attitude towards any ethical or theological problem, and in particular how often one has to take into account the circumstances under which an utterance is made which involves a knowledge of the speaker and his times. Dr. Steckelmacher again and again convicts Professor Sombart of failing in these elementary acquirements for understanding Jewish ethics. He even shows that he is equally misleading with regard to his quotations from the Bible, as Prov. 28. 14; or Jer. 7. 22. But it was obvious to even those unlearned in Jewish lore that Sombart was wilfully one-sided in his quotations which were mainly from Talmudic treatises, and left out of account such simple and obvious sources as the Jewish Prayer Book, which would have at once convicted him of one-sidedness in asserting that the Jewish inner life is solely motivated by business considerations. He would scarcely consider it fair to judge of Christian morality and idealism by quotations from the *Corpus Juris* which is, after all, in its last redaction, a Christian document.

Dr. Steckelmacher is even more effective in rebuking Sombart for his strange reference of all Jewish characteristics to their original nomadism or, as he calls it, Saharism, or the influence of

the original wanderings in the desert on their character (how Renan's fantasies crop up in all sorts of unexpected ways in all literature having an anti-Semitic tinge!) The truth is that, so far as Jews show any tendency towards commercial life, this has been due simply to the fact that they were practically confined to that mode of livelihood from the time of Christianity to the break-up of the craft guilds. After all, if you trace back any race whatever, you would get at last to a nomad stage which, if it has left us many psychologic traces in the case of Jews, ought to be equally efficacious in the case of any nation who are now trying to force their 'culture' upon the rest of the world.

It is unnecessary to follow Dr. Steckelmacher through all his annotations on Sombart's views about Judaism. But for the notoriety the book has acquired, it would scarcely be necessary to regard such obviously superficial views as worthy of refutation or even notice. One point may however be referred to as bringing out an interesting development in Jewish economic theory. Sombart, in trying to prove that the Jews were the first to use the 'impersonal' acknowledgement of indebtedness, makes a great deal of the Mamram of the Polish Jews, which is practically a bill of exchange which passes from hand to hand without reference to the original debtor and creditor. Sombart took this as peculiarly Jewish, and as therefore proving Jewish initiative in establishing the use of bills of exchange, but Dr. Steckelmacher points out that it was derived from Polish legal practice, and that the very name is a modification of the Polish legal term *Membrana*, and that each Mamram contains the clause, 'This bill shall have all the rights of the bills of exchange *which are usual in the royal courts*'.

Altogether both Mr. Waetjen and Dr. Steckelmacher have proved to the hilt that Sombart's views as to the influence of Jews on colonial expansion and as to the inner spirit of the Jewish religion are not only prejudiced and one-sided, but are very superficial and based on an inadequate study of the sources.

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